

STATE OF HAWA!! DEPARTMENT OF TRANSPORTATION 869 PUNCHBOWL STREET HONOLULU, HAWAII 96813-5097

BRENNON T. MORIOKA DIRECTOR

Deputy Directors MICHAEL D. FORMBY FRANCIS PAUL KEENO BRIAN H. SEKIGUCHI JIRO A. SUMADA

IN REPLY REFER TO:

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

CONSENT TO ASSIGNMENT OF STATE LEASE NO. DOT-A-90-0026 SKY CHEFS, INC. TO GATE GOURMET, INC. HONOLULU INTERNATIONAL AIRPORT

OAHU

REQUEST:

Consent to Assignment of State Lease No. DOT-A-90-0026 from Sky Chefs, Inc., as Lessee/Assignor, to Gate Gourmet, Inc., as Assignee, South Ramp, Honolulu International Airport

LEGAL REFERENCE:

Subsection 171-36(a) (5) (B), Hawaii Revised Statutes, as amended

APPLICANTS:

<u>LESSEE/ASSIGNOR</u>: Sky Chefs, Inc., a Delaware corporation, having a mailing address at 6191 N. State Highway 161, Irving, Texas 75038

<u>ASSIGNEE</u>: Gate Gourmet, Inc., having a mailing address at 11710 Plaza America Drive, Suite 800, Reston, Virginia 20190

AREA:

Area/Space No. 009-191, containing a land area of approximately 149,859 square feet and shown on the attached Exhibit A

LOCATION AND TAX MAP KEY:

Portion of Honolulu International Airport, Honolulu, Island of Oahu, identified by Tax Map Key: 1st Division, (1) 1-1-72-56

ZONING:

State Land Use District: City and County of Honolulu: Urban District

Industrial (I-2)

-2-

LAND TITLE STATUS:

Section 5(e) – Public Law 88-223 (ceded lands) of the Hawaii Admission Act DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES ___ NO X

CURRENT USE STATUS:

Land presently encumbered by Governor's Executive Order No. 3201, setting aside a portion of Honolulu International Airport under the control and management of the Department of Transportation, Airports Division, State of Hawaii, for Airport Purposes.

CHARACTER OF USE:

In-Flight Kitchen

TERM OF LEASE:

Twenty years and six months; Original Lease commenced on September 1, 1990 and terminates on February 28, 2011.

ANNUAL GROUND LEASE RENTAL:

\$359,662.00 per annum or five percent (5%) of Lessee's gross receipts, whichever is greater.

CONSIDERATION:

\$100,000.00

RECOMMENDED PREMIUM:

DOTA has reviewed the Assignment of Lease and has determined that there is no premium due.

DCCA VERIFICATION:

LESSEE / ASSIGNOR:

Place of business registration confirmed:	YES X	NO
Registered business name confirmed:	YES X	NO
Good standing confirmed:	YES X	NO
ASSIGNEE:		
Place of business registration confirmed:	YES X	NO
Registered business name confirmed:	YES X	NO
Good standing confirmed:	YES X	NO

REMARKS:

By way of a Consent to Assignment of Lease dated January 1, 2002 by and between Caterair International Corporation, as "Assignor" and Sky Chefs, Inc., as "Assignee", the Department of Transportation, Airports Division (DOTA) and Sky Chefs, Inc., entered into State Lease No. DOT-A-90-0026 dated December 1, 1990, to continue the operation of its in-flight facility.

The in-flight facility was built using Special Facility Revenue Bonds series 1990 due December 1, 2010. DOTA had determined that the outstanding bonds will not be impacted by the lease assignment.

RECOMMENDATION:

That the Board approves of and gives its consent to the Assignment of Lease No. DOT-A-90-0026 as herein outlined, subject to: (1) such terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (2) review and approval of the Department of the Attorney General as to the form and content of the Lessor's Consent to the Assignment of Lease No. DOT-A-90-0026

Respectfully submitted,

BRENNON T. MORIOKA, Ph.D., P.E. Director of Transportation

APPROVED FOR SUBMITTAL:

AURA H. THIELEN Chairperson and Member

